

ATTACHMENT A

THE RURAL TELECOMMUNICATIONS INFRASTRUCTURE GRANT PROGRAM

Application Information, Instructions and Checklist

The Rural Telecommunications Infrastructure Grant Program application process is divided into two phases. Phase I is the qualifying phase. Applicants must provide information about their community and its residents, supply letters of support from the community residents, local government and other affected governmental agencies and identify the local agency/department who has agreed to act as fiscal agent for the grant program funds. Applicants will receive a letter from the Director of the Telecommunications Division notifying them if the application has passed the qualifying phase. All applications must be approved by the Director of the Telecommunications Division at the qualifying phase before moving on to Phase 2, the feasibility study and cost estimate phase. Incomplete applications will be returned to the applicant with a letter of explanation.

AB 140, the enabling legislation, specifies that only one grant per community may be awarded and no grant may exceed \$2.5 million. To assure approval, applicants should structure their applications so as not to exceed the \$2.5 million cap per year.

All unserved public schools, hospitals or health clinics may apply individually. Only Phase 1 items 1.b., and items 3., and 4 in their entirety are applicable to applicant schools, hospitals or health clinics. All Phase 2 items are required of all applicants.

All completed applications should be sent to:
California Public Utilities Commission
Attention: Rural Telecommunications Infrastructure Grants Program
Public Programs Branch, 3rd Flr.
505 Van Ness Avenue
San Francisco, CA 94102

Filing Deadlines

Year 2003/04

First year: two fixed award rounds in initial year

ROUND 1

Day 0	CPUC Decision
Day 1-Day 60	Window to Submit Phase 1 Applications to CPUC
Day 61-Day 90	CPUC Staff reviews Phase 1 Applications for compliance with requirements and notifies Applicants regarding compliance or non-compliance
Day 91-Day 180	Window to Submit Phase 2 Applications to CPUC
Day 181-Day 270	CPUC Staff reviews Phase 2 Applications and notifies Applicants regarding awards of Grants

ROUND 2

January 1 – February 15, 2004 Window to Submit Phase 1 Applications to CPUC
February 16 – March 1, 2004 CPUC Staff reviews Phase 1 Applications for compliance with requirements and notifies Applicants regarding compliance or non-compliance
March 1 – May 15, 2004 Window to Submit Phase 2 Applications to CPUC
May 16 – June 30, 2004 Staff reviews Phase 2 Applications and notifies Applicants regarding awards of Grants

Year 2004-5

July 1-August 31, 2004 Window to Submit Phase 1 Applications to CPUC
September 1-September 30, 2004 CPUC Staff reviews Phase 1 Applications for compliance with requirements and notifies Applicants regarding compliance or non-compliance
October 1-December 31, 2004 Window to Submit Phase 2 Applications to CPUC
January 1-March 31, 2005 CPUC Staff reviews Phase 2 Applications and notifies Applicants regarding awards of Grants

Year 2005-6

Applications will be reviewed as described below with Grant awards by December 31, 2005 unless sunset deadline for Grants program extended by Legislature
April 1-April 30, 2005 Window to Submit Phase 1 Applications to CPUC
May 1-May 31, 2005 CPUC Staff reviews Phase 1 Applications for compliance with requirements and notifies Applicants regarding compliance or non-compliance
June 1-August 31, 2005 Window to Submit Phase 2 Applications to CPUC
September 1-December 31, 2005 CPUC Staff reviews Phase 2 Applications and notifies Applicants regarding awards of Grants

The following page contains a checklist to ensure your application is complete. Full details of the requirements are contained in the Application section, which immediately follows the Checklist.

CHECKLIST FOR PHASE 1, QUALIFYING PHASE

1. Community Information
 - a. Description of your community and residents. The description should include but not be limited to;
 - i. Contact person or representative for the community/applicant
 - ii. Maps of the community identifying location of residents' individual plots of land and closest telecommunications facility
 - iii. General information on community population
2. Financial information
 - a. Individual residents' income verification
 - b. Demonstration that the community median income meets the income limitation - for fiscal year 2003/2004 the community median household income can be no greater than \$27,800 (this figure is adjusted annually)
3. Fiscal agent information
 - a. Letter from a local government or agency stating its willingness to act as fiscal agent and its agreement to perform the duties as outlined in this document
 - b. Explanation of Fiscal Agent administrative fees, if any.
4. Letters of support from:
 - a. Board of Supervisors
 - b. Affected emergency service providers
 - c. Affected law enforcement agencies
 - d. Other affected local agencies
 - e. Letters from 75% of the residents within the identified community stating that they support the application and once service is established, they agree to subscribe to and pay for telephone service for at least three years while they continue to reside in the community.

Application Phase 1 - Qualifying

A. Community Information

Please provide:

1. The name of your community, general information on community population, and a brief description of the general location and proximity of the residents to one another within the community.
 - a. The name, address and contact information for each resident (owner and occupier of the property, if different), including phone number and email, if appropriate. You must include information on the total community; including names and address for residents who do not support the grant application.
 - b. Designate a contact person or representative for your community; it should be someone familiar with the grant application. If the contact person is a consultant or someone other than a resident of the community, please provide all necessary contact information for that person.
 - c. Identify all property owners who are not full time residents of their property in the community. Also identify all residents who occupy, but are not the owners of the property. The property owner must support the application even if someone other than the owner is occupying the property.
2. An assessor's list of all land owners in your community and adjacent landowners as well as an assessor's map identifying all community residents' individual plots of land and the closest telecommunications facilities that will be used to provide phone service. These may be obtained from your county assessor's office. Please identify the owners or residents on each plot of land in the community. Identify any public school, Post Office, government operated medical facility or fire station in your community.
3. A topographical map of your community. These may be obtained from:

U.S. Geological Survey
345 Middlefield Road
Mailstop 532
Menlo Park, CA 94025
650-329-4390
4. The number of:
 - a. Children (K-8),
 - b. Senior citizens (60 years and over),
 - c. Person with disabilities, permanently residing in your community.

5. Is your community located in the franchised territory of a wireline telephone company?
 - a. If “Yes”, please provide the name of the telephone company.
 - b. If “No”, please provide the name of the closest telephone company(s).
6. Does a wireless company offer service in your area?

B. Qualifying financial information

The median income of a qualifying community may not exceed the current Universal Lifeline Telephone Service (ULTS) program income limitation for a household of four. For the 2003/04 fiscal year that figure is **\$27,800**. The figure is adjusted annually. For the Rural Telecommunications Infrastructure Grant Program, it means that half of the community residents’ household income must be less than \$27,800 per year.

Applications must contain signed letters from each household, stating the total annual household income. Income from all adult household residents from all sources must be included in the income figures.

The CPUC may independently verify household income. Acceptable sources of verification include:

- Proof of participation in a government assistance program like food stamps.
- Federally funded school lunch program.
- Federal tax returns.

C. Fiscal Agent Information

A local agency, as defined under Section 50001 of the Government Code, or a town, as defined by Section 21 of the Government Code, shall act as the Fiscal Agent for the project funding requested in this application.

Each application must contain a letter from a local government agency or department stating its willingness to act as a Fiscal Agent for the community. . The letter must include:

- The name and contact information of the responsible party within the agency, including the person responsible for the administrative tasks, if different.
- If applicable, a statement of the requested Fiscal Agent administrative fees and payment schedule. As justification for the fees required, the statement must include the positions within the organization, salary(s), tasks and time commitment of all individuals fulfilling any part of the Fiscal Agent responsibilities. Records should be reviewed by an independent Certified Public Accountant upon the completion of the infrastructure work and an Attestation Report submitted to the Telecommunications Division of the CPUC as evidence that the work was completed and paid for as represented.

The letter must also state its understanding of the duties of the Fiscal Agent role. The duties Fiscal Agent duties are as follows:

Receive and review all requests for payment from the contractor or utility,
Verify that the project is progressing according to the approved work plan
milestones and payment schedule,
Once verified, a request for payment should be sent to the grant program Board
via the Commission's Telecommunications Division,
Receive payments from the Board
Disburse payments to the contractor or utility

D. Letters of support

Please include letters of support for the application from the following:

1. County Board of Supervisors
2. Affected emergency service providers
3. Affected law enforcement agencies
4. Letters from 75% of the un-served residents within your community. Each letter must state that the resident/land owner will agree to subscribe to and pay for telephone service for at least three years while continuing to reside in the community.

For CPUC use only

Reviewed By: _____

Date: _____

Date Application Received:

Project Recommended for Feasibility Phase: Yes/No

Comments:

CHECKLIST FOR PHASE 2, FEASIBILITY STUDY/CONSTRUCTION COSTS

1. Justification for the chosen technology, alternatives to the proposed technology, and why alternatives are insufficient.
2. Schematic maps indicating the proposed network facilities
3. Network compatibility statements from one or more interconnecting carriers
4. Work progress milestones and payment schedule
5. Construction cost estimates, including review of construction costs by carrier
6. Status of federal funding and other funding options, if any

Application Phase 2 - Construction Costs

A. Applicant information

Please provide

7. The name of your community and a brief description of its general location.
8. The name of the designated contact person for your community and contact information for that person. If the contact person is a consultant or someone other than a resident of the community, please provide all necessary contact information for that person.
9. A copy of Phase I approval letter issued by the Commission.

B. Statement of need

Please provide a statement of need or description of the unique impact the lack of phone service has on your community, i.e., high fire danger area, near highway with high accident rate, distance to nearest working phone and estimated emergency response time, etc.

C. Type of technology chosen

Please provide

1. Justification of the chosen technology.
2. Evidence that competing technologies were considered.
3. Evidence that competing service providers were considered and evaluated.
4. What are the types of services that will be offered as a result of your proposal? Some examples of services are: Dial Tone only (Plain Old Telephone Service or POTS), High Speed Broadband, Video services, High Speed Data services, etc.
5. If your proposal will result in services that are in addition to Plain Old Telephone Service (POTS),

- a. What is the additional cost associated with each service.
- b. Justify the necessity of the additional services.

D. Project location

Projects may be located within, completely outside of, or partially within and partially outside of the service territory of the local service provider in the area. The obligation of the local service provider and reimbursement of feasibility study costs will depend on the location of the project.

1. For projects located within a local service provider's territory, the company is:

- a. Obligated to respond in a timely manner (30 days) to applicants' request for service.
- b. Provide feasibility studies and cost estimates for all projects in their service territories at no cost to the applicant or the program.
- c. Apply the rates contained in tariffs on file at the CPUC.

Provide the name of the local service provider and proceed to Section "E".

2. For portions of projects that are outside of the local service provider's franchise:

- a. There is no applicable tariff on file with the CPUC for construction costs.
- b. A local service provider or telecommunications consultant/contractor may be contracted to perform the feasibility study and the construction.
- c. All construction will meet the local service provider's minimum technical requirements.
- d. The project must have a properly negotiated interconnection agreement with a local service provider.
- e. The project must have an appropriate long-term maintenance agreement with either a private contractor or the provider of local service.

3. For projects located partially within and partially outside of a local service provider's territory:

Local service providers are not obligated to prepare free feasibility studies for any portion of a project located outside their franchised service territory. However, the local service provider ***is*** obligated to prepare, at no cost, a feasibility study to the boundary of its franchise.

The following information is required:

- f. Name of the closest local service provider.
- g. Cost of preparing the feasibility study.
- h. Copy of the interconnection agreement.
- i. Copy of a network compatibility statement from one or more interconnecting LECs.

- j. Long-term maintenance agreement.
- k. Cost of implementing the long-term maintenance agreement.
- l. Who will own the facilities?
- m. Who will maintain the facilities?
- n. Provide detailed maintenance manual. This manual will list all tasks associated with the project and any methods and procedures developed for the same.
- o. Qualifications of contractors, if other than the local service provider, who will construct the project.
- p. Qualifications of individuals or contractors, if other than the local service provider, who will maintain and operate the facilities.
- q. Organization chart showing the reporting relationship of individuals associated with the project.

C. E. Project feasibility study

The feasibility study will include the following:

- a. Engineering feasibility study. Project to be designed 150% of the current demand for services.
- b. Schematic maps of the proposed network facilities. The maps should indicate routing and include information on any crossing sites requiring discretionary permits or environmental review pursuant to CEQA (include the type of permit, issuing agency and the Lead Agency if environmental review is required).
- c. Identification of any other special permits and cross reference with governmental agencies from which permits will be required for the project
- d. Estimated construction costs. All construction to be per technical requirements of the closest local service provider.
- e. Does your proposal involve line extensions? If so,
 - a. Will the line extensions fall within a local service provider's franchised territory?
 - b. Will the line extension be partially within and partially outside the local service provider's franchised territory?
- f. Does your proposal involve construction of new facilities?
- g. If this is a multi-year project? Can the project be broken-up into smaller individual projects? If so, explain.

D. F. Project timeline

Please provide a project schedule including timeline, milestones, budget and requested payment schedule. All payments will be made after completion of milestones and upon request for payment from the Fiscal Agent. Include milestones for:

- 1. Project deliverables.
- 2. Payment schedules during the
 - a. Construction phase
 - b. Project implementation phase

- c. Upon completion of the infrastructure work, records should be reviewed by an independent Certified Public Accountant and an Attestation Report submitted to the Telecommunications Division of the CPUC as evidence that the work was complete and paid for as represented.
3. Has your proposal been submitted to any other agency or group for funding?
If yes, what was the outcome?

For CPUC use only

Reviewed By: _____

Date: _____

Date Application Received:

Project Recommended for Feasibility Phase: Yes/No

Comments:

(END OF ATTACHMENT A)